



Audits: What to Expect?

Presented by:
DMA Program Integrity
March 6, 2013



Topics for Discussion



- Authority to conduct audits
- Who will conduct audits?
- Who may be audited?
- What factors may contribute to a Provider being audited?
- How will audits be conducted?
- Preparing for an audit
- Audit tool questions/information
- Notice of desk audit and request for records
- Notice of audit findings
- Reconsideration requests
- Important points to remember

Authority to Conduct Audits

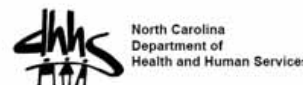


42 CFR §495.368 Combating fraud and abuse

(a) General rule

(1) The State must comply with Federal requirements to:

- (i) Ensure the qualifications of the providers who request Medicaid EHR incentive payments;
- (ii) Detect improper payments; and
- (iii) In accordance with § 455.15 and § 455.21 of this chapter, refer suspected cases of fraud and abuse to the Medicaid Fraud Control Unit.





Who Will Conduct Audits?

- DMA Program Integrity will conduct audits for:
 - Eligible Professionals and Eligible Hospitals who attest that they have Adopted Implemented or Upgraded Electronic Health Records (EHR) and Meaningfully Used HER
- CMS will conduct audits for:
 - Meaningful Use for Eligible Hospitals





Who May Be Audited?

**All eligible providers as defined in 42 CFR
§ 495.304 Medicaid provider scope and
eligibility**

(1) Medicaid EPs

(2) Acute care hospitals

(3) Children's hospitals



What Factors May Contribute to a Provider Being Audited?



- Receiving an incentive payment
- Requiring multiple attempts to identify a 90-day period to establish patient volume
- Having a history of not providing services to beneficiaries
- Having an attested numerator less than 100 encounters
- Having an adverse audit outcome by the Office of Inspector General

How Will Audits Be Conducted?



- **Methodology**

- **Desk** audits will be utilized primarily for AIU audits but AIU audits may also be conducted onsite
- **Onsite** audits will primarily be conducted for MU audits

Preparing for an Audit



- Maintain copies or have access to:
 - Signed attestations submitted to DMA
 - Purchase orders, contracts etc. related to the Certified EHR system
 - Reports or other documentation used to verify patient volume numerator and denominator

Preparing for an Audit



- Maintain copies or have access to:
 - Reports or other documentation to support meaningful use
 - Documentation to support staff training
 - Any other documents to support the attestation

Audit Tool Questions/Information



- Is there documentation to support the numerator?
- Is there documentation to support the denominator?
- Is there documentation to support discharges and acute Medicaid days?
- Does the EH have at least 10% Medicaid patient volume?

Audit Tool Questions/Information



- Does the EH have an average length of stay of 25 days or less?
- Does the EP have at least 30% Medicaid patient volume (20% for Pediatrician)?
- EP Practices Predominately at an FQHC or RHC: Does at least 50% of patient encounters occur at an FQHC or RHC in a six-month period during the prior calendar year?

Audit Tool Questions/Information



- Does the Physician's Assistant (PA) practice in a PA-led FQHC or RHC?
- Is the EPs reported out-of-state Medicaid or Needy Individual patient volume valid?
- Hospital-based EP: Did more than 10% of encounters occur outside the emergency room or inpatient settings?

Audit Tool Questions/Information



Adoption Proof

- Purchase order verifying certified EHR system
- Software licensing agreement/contract of certified EHR system
- Executed sales contracts for software and/or hardware for certified EHR technology
- Service performance/maintenance agreement relating to certified EHR technology



Audit Tool Questions/Information



Implementation Proof

- Evidence of costs for installation of certified EHR technology
- Data Use Agreements pertaining to certified EHR technology
- Evidence of costs associated with staff training support or staff support to implement certified EHR technology, including a contract if applicable



Audit Tool Questions/Information

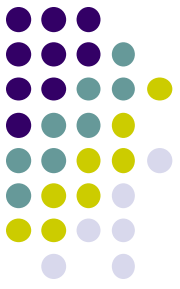


Implementation Proof

- Documented costs associated with server/workstation for the implementation of certified EHR technology
- For EHs: Cost reports reflecting implementation expenses relating to certified EHR technology

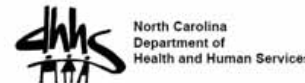


Audit Tool Questions/Information



Upgrade Proof

- Receipts from EHR software vendors for certified EHR technology
- Executed sales contracts for software and/or hardware for certified EHR technology
- Seller-accepted purchase orders for certified EHR technology



Audit Tool Questions/Information



Upgrade Proof

- Software licensing agreements for certified EHR technology
- Service performance agreement relating to EHR technology



Notice of Desk Audit Request for Records



- A certified letter will be sent from DMA Program Integrity requesting records
- Providers will have 30 calendar days from the date of a certified letter to submit the documentation that is requested
- Questions regarding the Records Request letter should be directed to the Program Integrity Investigator identified in letter





Notice of Audit Findings

- A certified letter stating the findings **Pass or Fail** will be sent to the provider after completion of an audit
 - **Pass** indicates the provider successfully met the AIU or MU requirements reviewed in the audit
 - **Fail** indicates that some requirements reviewed were not met
- Notice of a failed audit will result in a tentative notice of overpayment with expected recoupment of the incentive payment for the year audited

Reconsideration Requests



- Providers have 15 business days from receipt of a tentative notice of overpayment to request a reconsideration by the DHHS Hearing Office
- Providers may file a petition for a contested case hearing with the Office of Administrative Hearings
 - Within 60 calendar days of the date of the reconsideration decision if they do not agree with the decision of the Hearing Office
 - Within 60 calendar days of the date of the tentative notice of overpayment letter

Important Points to Remember



- Audits began in February 2013 and will run 12 months beyond the end of the program period, estimated to be 2022
- Contact the Program Integrity staff person identified in the certified letter for questions
- Keep all documentation for at least six years after receipt of an incentive payment
- Pay attention to and adhere to deadlines



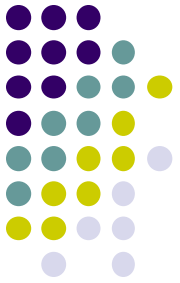


Where Do I Get More Information?

- DMA Monthly Medicaid Bulletin at:
<http://www.ncdhhs.gov/dma/bulletin/index.htm>



Technical Assistance



The Carolinas Center for Medical Excellence

www.CCMEConsulting.org

919-461-5699

CCMEconsulting@thecarolinascenter.org

NC Area Health Education Centers (AHECs)/Regional Extension Centers (REC)

<http://www.ncahec.net>

919-966-2461

<mailto:ncahec@med.unc.edu>

NC Medical Society

<http://www.ncmedsoc.org>

919.833.3836





Help is Here!

- We are here to help!

- By Phone: 919-855-4200

OR

- Email: ncmedicaid.hit@dhhs.nc.gov

- Visit our website

<http://www.ncdhhs.gov/dma/provider/ehr.htm>

